

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

JNNURM – BSUP – Administrative sanction for Integrated Housing Projects sanctioned by Government of India under BSUP-JNNURM in the Mission Cities of Vijayawada and Vishakhapatnam – **Revised** – Order - Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.Rt.No. 232 MA

Date: 11-02-2009.

Read the following:

1. G.O.Rt.No.314, Housing (U&IAY) Department, dated:20-12-2006.
2. G.O.Rt.No.315, Housing (U&IAY) Department, dated:20-12-2006.
3. G.O. Rt.No.903, MA&UD (UBS) Department, dated: 17-07-2007.
4. G.O.Rt.No.1247, MA&UD (UBS) Department, dated: 18-10-2007.
5. G.O.Rt.No.152, MA&UD (UBS) Department, dated: 31-01-2008.
6. From Hon'ble Minister of State (Independent Charge), MoH&UPA, GoI, New Delhi. D.O. Lr. No.J-25015/40/2008-VIP/JNNURM/OSD-2546-F, dated: 23-06-2008.
7. From the Commissioner, VMC, Vijayawada Lr. No. Rc.E9-10196/JNNURM /2006, dated: 26-08-2008.
8. From the Commissioner, GVMC, Vishakhapatnam Rc.No. 1278/2007-08/CE/SE(P)/EE(PD-IV), dated: 29-08-2008.

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ORDER:

Government of India have sanctioned the following four Integrated Housing Projects with the total project cost of Rs. 637.47 crores in the Mission Cities of Vijayawada and Vishakhapatnam.:

2. In the G.O. 1st & 2nd read above, Government have issued Administrative Sanction orders for construction of 15000 houses in Vijayawada & 15320 houses in Vishakhapatnam under BSUP-JNNURM with the financial pattern between GoI and Beneficiary Contribution / Bank Loan is 50:50 and further, Government vide G.O. 5th read above, have issued administrative sanction for construction of 6752 houses in Vijayawada.
3. Government of India, during the 17th meeting of Central Sanctioning and Monitoring Committee (CSMC), New Delhi held on 13.09.2007 has decided that “ As the primary objective of JNNURM is to assist the urban poor, the subsidy from the Central Government should be passed on to the urban poor. Further, the concerned State / UT Government should provide a subsidy in keeping with the intent and spirit of BSUP / IHSDP so that the loan burden of a poor EWS or LIG household does not exceed between 12 to 25 percent of the total cost of the EWS or LIG dwelling unit.”
4. The Commissioners of Vijayawada and Vishakhapatnam vide references 7th & 8th read above, have informed that due to non-receipt of tenders from the registered builders (contractors) through EPC System, there is a delay in execution of sanctioned

housing projects under BSUP-JNNURM and the projects are attracted by the price escalation of Steel, Cement and other components of construction material and further informed that they are already providing their share to the extent of 30% of sanctioned projects under U.I.&G. – JNNURM & Infrastructure Projects sanctioned under BSUP-JNNURM. In addition to Mission Cities' share, the Mission Cities are bearing the expenditure on account of regular maintenance of works, payment of electricity bills and salaries of permanent and contract employees. Therefore, it is a heavy burden on the finance of these two Mission Cities, and they will not be in a position to bear the entire enhanced Integrated Housing Project.

5. Ministry of Housing & Urban Poverty Alleviation, Government of India New Delhi vide reference 6th read above, have informed that the present guidelines on BSUP-JNNURM neither provide for revision of cost nor to reduce the physical target in projects already approved and the increased cost may, therefore, kindly be **born by either by the State Government or by the concerned Municipal Corporation** to ensure early completion of houses for the poor.

6. Housing Department, GoAP, have scrutinized technically the proposals of the Mission Cities of Vijayawada and Vishakhapatnam through APSHCL and suggested to reduce the dwelling unit cost for the houses which are yet to be grounded or at very initial stages of grounding, from Rs. 235000/- to Rs. 208500/- in case of construction of houses 14968 (8216+6752) in Vijayawada and to reduce the dwelling unit cost from Rs. 190000/- to Rs.181000/- in case of construction of 2002 houses in Vishakhapatnam based on the criteria of (i) Using of 400 Kgs of cement against 330 kgs of cement required for M20 specification, (ii) Price of steel has been assumed at Rs. 45,000/- against Rs. 36,000/- in the current market, (iii) In the masonry, a rich of mix of 1:6 of Cement & Sand has been adopted against a rich of mix 1:8 is adequate to attain the required strengths, (iv) In the wall plastering it is proposed in the estimate 20 mm as against the 12mm which is actually sufficient and (v) In the ceiling plastering 12 mm plastering has been proposed as against 6 mm which is sufficient.

7. In the circumstances stated by the Commissioners of Vijayawada and Vishakhapatnam and as per the decision of MoH&UPA, Gol, Government have decided the enhanced dwelling unit cost for construction of 37072 houses in the Mission cities of Vijayawada and Visakhapatnam shall be borne by the State and ULB in the ratio of 50:50 and the enhanced infrastructure cost for the Mission Cities of Vijayawada and Visakhapatnam shall be born by the state and ULB in the ratio of 45 : 55 respectively and to release the State Share in enhanced housing projects' cost in the financial year 2009-10 & 2010-11. The details are as follows:

(Rs. In crores)

Sl.No.	Mission City	FINANCE PATTERN BETWEEN STATE AND ULBs								
		Dwelling Unit Cost			Infrastructure Cost			Total enhanced project cost		
		Total	State	ULB	Total	State	ULB	Total	State	ULB
1	2	3	4	5	6	7	8	9	10	11
I	Vijayawada	145.87	72.93	72.94	26.75	12.04	14.71	172.62	84.97	87.65
II	Vishakhapatnam	93.60	46.80	46.80	22.01	9.90	12.11	115.61	56.70	58.91
	Total	239.47	119.73	119.74	48.76	21.94	26.82	288.23	141.67	146.56

8. After careful examination, and in partial modification of orders issued by Government vide G.O. 1st to 5th read above and technical scrutiny by Housing Department, Government hereby accord revised administrative sanction for the Integrated Housing Projects sanctioned by Government of India under Basic Services to Urban Poor – JNNURM in the Mission Cities of Vijayawada and Vishakhapatnam as detailed below. The enhanced cost of the integrated Housing project to the extend of Rs.288.23 crores shall be borne by the State Government & ULBs.

Sl. No.	Name of the City	Revised				Revised Finance Pattern			
		Dwellin g Unit Cost	Housi ng Cost	Infrastr ucture Cost	Total Projec t Cost	GOI Share	State Share	ULB Share	Benf. Contbn & Bank Loan
1	2	3	4	5	6	6	6	6	6
		Rs.	(Rs. In crores)						
1	Vijayawada								
	For 8216 Houses	208500							
	For 1152 Houses	157868	297.62	75.93	373.55	129.37	176.40	134.78	59.40
	For 5632 Houses	192000							
	For 6752 Houses	208500	140.78	107.91	248.69	91.68			30.61
	Vij. Total		438.04	183.84	622.24	221.05	176.40	134.78	90.01
2	Vishakapatnam								
	For 13318 Houses under construction	165000	255.98	47.47	303.45	93.62	94.14	66.54	49.15
	For 2002 Houses to be taken up	181000							
	Vsp. Total		255.98	47.47	303.45	93.62	94.14	66.54	49.15
	Grand Total		694.38	231.31	925.69	314.67	270.54	201.32	139.16

9. The enhanced State share of Rs.141.67 crores shall be released during the years 2009-2010 and 2010-2011.

10. The Managing Director, APUFIDC Ltd., Hyderabad and the Commissioners of Vijayawada and Vishakhapatnam are requested to take action accordingly.

11. These orders are issued with the concurrence of Fin. (Expr. M & F) Department and Housing Department vide their U.O. No.939/8/A1/expr.M&F/2009, dated 29.01.2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PUSHPA SUBRAHMANYAM
SECRETARY TO GOVERNMENT &
COMMISSIONER, UPA

To
The Managing Director, APUFIDC Ltd., Hyderabad.
The Commissioner, VMC, Vijayawada.
The Commissioner, GVMC, Vishakhapatnam.
Copy to
The P.S. to Spl. Secretary to Hon'ble C.M.
The P.S. to Hon'ble Minister, MA&UD Dept., GoAP.
The P.S. to Secretary to Government.
The Finance (Expr. M&F) Department.
SF/SC

//FORWARDED BY ORDER//

RESEARCH OFFICER